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CC(85) 9th
Conclusions

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CABINET

CONCLUSIONS of a Meeting of the Cabinet
held at 10 Downing Street on
THURSDAY 14 MARCH 1985
at 10.30 am

P R E S E N T

The Rt Hon Margaret Thatcher MP
Prime Minister

The Rt Hon Lord Hailsham of St Marylebone
Lord Chancellor

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs

The Rt Hon Leon Brittan QC MP
Secretary of State for the Home Department

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer

The Rt Hon Sir Keith Joseph MP
Secretary of State for Education and Science

The Rt Hon Peter Walker MP
Secretary of State for Energy

The Rt Hon Michael Heseltine MP
Secretary of State for Defence

The Rt Hon George Younger MP
Secretary of State for Scotland

The Rt Hon Nicholas Edwards MP
Secretary of State for Wales

The Rt Hon Patrick Jenkin MP
Secretary of State for the Environment

The Rt Hon John Biffen MP
Lord Privy Seal

The Rt Hon Norman Fowler MP
Secretary of State for Social Services

The Rt Hon Norman Tebbit MP
Secretary of State for Trade and Industry

The Rt Hon Tom King MP
Secretary of State for Employment

The Rt Hon Michael Jopling MP
Minister of Agriculture, Fisheries and Food

The Rt Hon Peter Rees QC MP
Chief Secretary, Treasury

The Rt Hon Nicholas Ridley MP
Secretary of State for Transport

The Rt Hon Douglas Hurd MP
Secretary of State for Northern Ireland

The Rt Hon Earl of Gowrie
Chancellor of the Duchy of Lancaster

The Rt Hon Lord Young of Grafham
Minister without Portfolio

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THE FOLLOWING WERE ALSO PRESENT

Sir Patrick Mayhew QC MP
Solicitor General (Item 1)

The Rt Hon John Wakeham MP
Parliamentary Secretary, Treasury

SECRETARIAT

Sir Robert Armstrong
Mr D F Williamson (Items 2 and 3)
Mr B G Cartlege (Items 2 and 3)
Mr C J S Brearley (Item 1)
Mr R Watson (Item 1)

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PARLIAMENTARY AFFAIRS

1. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

Conveyancing by Employed Solicitors

Previous References: CC(85) 8th Conclusions, Minute 6 and CC(83) 37th Conclusions, Minute 4

THE PRIME MINISTER said that, at the conclusion of the Cabinet's discussion for conveyancing by employed solicitors the previous week, the Cabinet had invited the Lord Chancellor to consider ways, alternative to the "basic service" proposed by officials which they had discussed, of enabling employed solicitors to provide services to house buyers which would avoid the problems of conflict of interest set out in C(85)6. She had subsequently looked again at the undertakings given to the House of Commons, on the basis of decisions reached in Cabinet in December 1983, in particular by herself in reply to an Oral Parliamentary Question on 20 December 1983, and by the Solicitor General on 16 December 1983 and 17 February 1984 and in his letter of 12 January 1984 to Mr Austin Mitchell MP. All of these stated unambiguously that the Government were committed to bring forward legislation to enable solicitors employed by institutions such as building societies and banks to undertake conveyancing. It was in the light of these assurances, among others, that Mr Mitchell had withdrawn his House Buyers Bill. The difficulties in satisfactorily resolving the problems of conflict of interest might not then have been fully foreseen, but the undertakings had been categorical, and it would be a very serious matter if they could not be honoured.

THE SOLICITOR GENERAL said that Mr Mitchell's main objective had been to secure the possibility of establishing a system of licensed conveyancing by people who were not solicitors, and had used words in the House of Commons which suggested that it was not by any means so important to him that employed solicitors should be able to provide conveyancing services. Moreover the statements made in the House of Commons had made clear the need for any arrangements to be subject to safeguards to avoid conflicts of interest. Having regard to all that had been said in the House of Commons on the subject, he did not himself consider that he or the Government could be accused of dishonourable conduct if, having looked further into the matter, they felt obliged to tell the House that they had found the difficulties much harder to overcome than had been expected.

THE LORD CHANCELLOR said that he was well aware of the statements made by the Prime Minister and the Solicitor General to which the Prime Minister had referred. At their last meeting the Cabinet had invited him to consider alternative ways, which would avoid problems of conflict of interest, of enabling employed solicitors to provide conveyancing services. Work in pursuance of this remit was now in hand, and would be reported to the Home and Social Affairs Committee as soon as possible. He would pursue this work in good faith, and with the statements to which the Prime Minister had referred very much in mind, and he would use his best endeavours to find a way of enabling employed solicitors to undertake conveyancing which would avoid problems of conflict of interest and which he could conscientiously recommend to his colleagues.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet endorsed its earlier conclusions on the subject, and would wish the importance of honouring undertakings given in the House of Commons to be given full weight in the search for alternative solutions to the problem.

The Cabinet -

1. Endorsed the conclusions reached as a result of that previous discussion.

2. Invited the Lord Chancellor, in consultation with other colleagues concerned, to seek strenuously to find a way of enabling employed solicitors to undertake conveyancing, which would avoid problems of conflict of interest, which he could conscientiously recommend to his colleagues, and which would enable the Government to honour the undertakings given by the Prime Minister and the Solicitor General in the House of Commons and to Mr Austin Mitchell MP.

2. THE FOREIGN AND COMMONWEALTH SECRETARY said that there had been no further substantive developments in relations between the United Kingdom and Nigeria. Difficulties continued over securing consular access to the two employees of Bristol Helicopters Limited who were under detention in Lagos and in securing improvements to the conditions in which they were held. Their eventual trial, of which the outcome was unpredictable, could have an important impact on bilateral relations with Nigeria. The Foreign and Commonwealth Secretary said that he hoped that the joint assessment, which he and the Home Secretary were conducting, of the available options with regard to the future status of the exiled former Nigerian Minister for Transport, Mr Umaru Dikko, would be completed before the trial took place since the denial of asylum to Mr Dikko, should the Home Secretary decide on this, would be helpful to the outcome.

FOREIGN AFFAIRS

Nigeria

Previous Reference: CC(85) 8th Conclusions, Minute 2

Iran/Iraq

Previous Reference: CC(85) 8th Conclusions, Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that there had been a substantial and continuing flare-up of hostilities between Iran and Iraq: air raids, artillery bombardment and missile attacks had been carried out by each country against the other, and a recent air raid on Tehran had inflicted about 500 casualties. In the land battle, there had been some indication of a further use of chemical weapons by the Iraqis but this was not yet confirmed. There had been no reports of casualties among the British communities in Iran or Iraq. The United Kingdom Permanent Representative to the United Nations, Sir John Thomson, was being instructed to encourage the Secretary-General of the

United Nations to use a meeting of the Security Council that day, which was due to discuss the treatment of prisoners of war in the Iran/Iraq conflict, as an occasion for renewing his appeal to both countries to abstain from attacks on civilian targets.

Lebanon

Previous Reference: CC(85) 4th Conclusions, Minute 3

THE FOREIGN AND COMMONWEALTH SECRETARY said that the pattern of retaliation and counter-retaliation by the withdrawing Israeli forces and Shi'ite groups in South Lebanon was continuing. In a debate in the United Nations Security Council a draft resolution tabled by the Lebanese had sought to ascribe to Israel all responsibility for the deteriorating situation and had contained no reference to the role of the United Nations Interim Force in Lebanon. In view of the lack of balance in the draft, the United Kingdom, in company with Denmark and Australia, had abstained; and the United States had exercised its veto. Further bloodshed in South Lebanon could be expected and the threat to both United Kingdom and United States interests in Beirut, including the two Embassies, had increased: existing advice to British citizens not to remain in the Lebanon was being maintained and would be renewed. Helicopters at the Sovereign Base Areas in Cyprus were standing by to assist in an evacuation if this became necessary. The Foreign and Commonwealth Secretary said that he would take steps to ensure, in consultation with the Secretary of State for Defence, that any undertakings to assist the British Community in this way could be fulfilled in practice if necessary.

Turks and Caicos Islands

Previous Reference: CC(85) 8th Conclusions, Minute 2

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Chief Minister of the Turks and Caicos Islands, Mr Norman Saunders, and his associates, who were being detained in Miami on charges of complicity in drug trafficking, were due to appear before a Grand Jury that day. Their Ministerial colleagues in the Turks and Caicos Islands were endeavouring to carry on the Government, and the Acting Chief Minister, Mr Nathaniel Francis, was thought to have advised Mr Saunders to resign voluntarily from his post. It seemed unlikely that Mr Saunders would adopt this course; but his continued absence from meetings of the Executive Council could result in his disqualification from remaining in office. There had been some individual threats against the Governor of the Turks and Caicos Islands, Mr Christopher Turner, but the Metropolitan Police Special Branch advisers who were now there believed that the security situation was under control. The Foreign and Commonwealth Secretary said that he would ascertain whether there was any foundation for newspaper reports of a broadcast by the Governor in which it had been suggested that Mr Saunders need not resign.

Barbados

THE FOREIGN AND COMMONWEALTH SECRETARY said that members of the Cabinet would have learned with sadness that the Prime Minister of Barbados, Mr Tom Adams, had died on 11 March. He had been succeeded by the Deputy Prime Minister, the Hon. Bernard St John. Her Majesty the Queen would be represented at Mr Adams's funeral on 16 March by His Royal Highness the Duke of Kent, and Baroness Young would represent Her Majesty's Government. Mr Adams had been a staunch figure in the Eastern Caribbean region, and his death was a severe loss.

United States/
Soviet Union
Arms Control
Negotiations

THE FOREIGN AND COMMONWEALTH SECRETARY said that the arms control negotiations between the United States and the Soviet Union had opened, as planned, in Geneva on 12 March. It was too early to comment on their substance: their initial phase would be devoted to setting out the positions of both sides. It was clear that a long haul was in prospect but the resumption of dialogue was welcome.

United Nations
Secretary-General's
Conference
on Africa

THE FOREIGN AND COMMONWEALTH SECRETARY said that the Conference convened by the United Nations Secretary-General, Mr Peres de Cuellar, on the famine in Africa, had taken place in Geneva on 11 and 12 March. The United Kingdom had been represented by the Minister for Overseas Development, Mr Timothy Raison, who had informed the Conference of the British Government's provision of £90 million of emergency aid to Africa in 1984/85 and its commitment to provide at least a further £60 million in the following year. Mr Raison's account of the extent of voluntary fund-raising activity in the United Kingdom, which had been second to none, had been well received by the Conference. The next priority was to improve co-ordination between the various agencies involved in famine relief.

Soviet Union

Previous Reference:
CC(84) 32nd
Conclusions,
Minute 1

THE PRIME MINISTER said that she had attended the funeral, on 13 March in Moscow, of the late President of the Union of Soviet Socialist Republics and General Secretary of the Communist Party of the Soviet Union, Mr Konstantin Chernenko. She had, during her brief visit to Moscow, had a discussion which had lasted for nearly an hour, considerably longer than scheduled, with the new General Secretary, Mr Mikhail Gorbachev. It had been clear that Mr Gorbachev had very much enjoyed his visit to the United Kingdom in December and that he was conscious of the extensive international publicity which the event had brought him. The atmosphere of their discussion had been frank and easy. Its substance had concentrated on two themes: the need for improved political dialogue and the arms control negotiations between the Soviet Union and the United States which had just opened in Geneva. On bilateral relations with the United Kingdom, Mr Gorbachev had indicated his appreciation of the style of the exchanges which had taken

place during his visit and his wish to continue them as well as to develop the commercial, cultural and scientific dimensions of the relationship. Mr Gorbachev had agreed with the Prime Minister that the Tenth Anniversary of the signature of the Final Act of the Conference on Security and Co-operation in Europe offered an occasion for the renewal of commitment to political dialogue; and had indicated that the Soviet Foreign Minister, Mr Gromyko, would probably visit the United Kingdom in due course. On arms control, Mr Gorbachev now realised that the four points which she had agreed with President Reagan at their meeting at Camp David on 22 December 1984 embodied the first clear acknowledgement by the United States that any deployment of defensive weapons systems in space must be preceded by negotiation. The Soviet leadership was clearly apprehensive, nevertheless, of the implications of the United States research programme resulting from President Reagan's Strategic Defence Initiative and very conscious of the speed and effectiveness with which this programme might be conducted; the Soviet Union consequently hankered after some agreement by which the research effort could be constrained. She had emphasised the unrealistic nature of this objective in view of the fact that the application of constraints on research could not be verified.

Although it had been clear from Mr Gorbachev's remarks that the Soviet leadership would like to see the arms control negotiations in Geneva succeed, it was also evident that the Russians continued to mistrust the Americans and suspect them of seeking a degree of military superiority which would enable them to mount a successful strategic first strike against the Soviet Union. She concluded from this that the first priority should be to bring about a resumption of dialogue between the Soviet Union and the United States: it was not clear whether President Reagan had extended a specific proposal to Mr Gorbachev for a summit meeting. She thought that Mr Gorbachev now recognised that he could not expect to succeed in driving a wedge between the United Kingdom and the United States, although he was aware of the significant influence which the United Kingdom still commanded in Washington. Although Mr Gorbachev, as the first General Secretary to have a university education, represented a new kind of Soviet leader and evidently gave a high priority to economic reform, his cast of mind remained rigidly Communist and he was incapable of thinking in other than Marxist/Leninist categories. He faced the classic and fundamental Communist dilemma of having to increase the scope for local and individual initiative in order to improve economic results but, at the same time, of being unable to tolerate any deviation from ideological orthodoxy or from centralised discipline.

In discussion, the importance was recognised of continuing to give due emphasis to the Soviet Union's own research effort in the field of offensive and defensive weapons in space. It might be necessary to damp down unrealistically high expectations, which the Western media were over-inclined to encourage, of the significance of a new style in the Soviet leadership; and to put this into perspective, against the background that the nature of the leadership remained essentially the same. A more personable and more competent leadership in Moscow was not

without its dangers for the West, particularly if the Soviet Union played its hand in the Geneva negotiations more skilfully than in the past. It was noted that the new leadership's approach to human rights issues, particularly in the context of the Tenth Anniversary of the Helsinki Final Act, would be an important gauge of the extent to which its character had or had not changed.

The Prime Minister's Bilateral Meetings in Moscow

THE PRIME MINISTER said that, in addition to her discussion with Mr Gorbachev, she had had a useful meeting with the United States Vice-President George Bush and Secretary of State Shultz, in which she had stressed the importance of upholding the Anti-Ballistic Missile Treaty of 1972. She had also met the Prime Minister of India, Mr Rajiv Gandhi, who seemed very relaxed; President Zia-ul-Haq of Pakistan, who was elated by the results of the recent elections in his country; President Machel of Mozambique, whose difficulties with Renamo (Mozambique National Resistance) had not diminished and carried with them the risk of the abrogation of President Machel's Accord with South Africa; and the Prime Minister of Spain, Senor Felipe Gonzales, who was far from happy with the outcome of Spain's negotiations with the European Community and reluctant to recognise that there was now no time for the renegotiation of those aspects which he considered unsatisfactory.

COMMUNITY AFFAIRS

Enlargement of the Community

Previous Reference: CC(85) 8th Conclusions, Minute 3

3. THE FOREIGN AND COMMONWEALTH SECRETARY said that the Council of Ministers (Foreign Affairs) on 17 to 20 March would be seeking to resolve the remaining issues on the enlargement of the community and the associated question of the revised decision on own resources.

Environment: Vehicle Emissions

THE SECRETARY OF STATE FOR THE ENVIRONMENT said that the Council of Ministers (Environment) on 7-8 March had not reached a conclusion on vehicle emissions. The Federal Republic of Germany had refused to make any move, and considerable difficulties, particularly on medium cars, remained. There would be a further Council meeting on 20 March. If agreement could not then be reached on satisfactory terms, the question would no doubt be submitted to the European Council. In the negotiations so far on vehicle emissions the Commissioner with

Responsibilities for the Environment, Mr Clinton Davis, had not been helpful. Furthermore, the Commission's indication of its future programme on other environmental issues seemed likely to introduce new problems and difficulties. In discussion it was pointed out that, if no agreement were reached on vehicle emissions, there would be a confused situation and the Germans would probably go ahead with even tougher vehicle emission controls. On the other hand, the prospects of an agreement within the Community which was actually to the United Kingdom's advantage were also poor. It was also suggested that there would be advantage in co-ordination with the French, who were also opposed to the extreme German position; and, in view of the Commission's attitude so far, it might be helpful if the Foreign and Commonwealth Secretary were to speak to the President of the Commission, Monsieur Delors.

Agricultural Structures

Previous Reference: CC(85) 6th Conclusions, Minute 3

THE CHANCELLOR OF THE EXCHEQUER reported that the Council of Ministers (Finance) on 11 March had reached agreement on an opinion on the financial provision for the agricultural structure measures for 1985-89. The ceiling of 5.25 billion ecu was well below the Commission's original proposal. This was the first time that such an opinion had been given to the Agriculture Council in implementation of the arrangements on financial discipline stemming from the Fontainebleau European Council. It was, therefore, an important step forward. The related question of integrated Mediterranean programmes remained to be dealt with, probably in the European Council.

THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD said that the Council of Ministers (Agriculture) on 11-12 March had held a general discussion on the Commission's proposals for agricultural support prices for 1985-86. It was apparent that there would be serious difficulties with the Germans, who intended to seek price increases above the level proposed by the Commission. The Council had reached agreement, however, on the whole package of agricultural structure measures. This included the provision on agriculture and the environment for which the United Kingdom had campaigned. The estimated cost of the whole package conformed with the figure decided by the Finance Council. Some of the savings might be open to question but it was nonetheless a decision of importance for financial discipline. He had resisted strong pressure to agree on a package of which the estimated cost would have slightly exceeded the figure set by the Finance Council. In the end the Presidency had abandoned any attempt to exceed the figure and a satisfactory settlement had been reached. There would no doubt be similar difficulties in the future if and when the financial guidelines had an effect on agricultural decisions, and the United Kingdom might find itself isolated. In discussion it was said that the result on

agricultural structures was to be welcomed, both because of the assertion of the principle of financial discipline and because the environmental initiative had been achieved.

The Cabinet -

Took note.

4. The Cabinet's attention was drawn to the serious outbreak of football hooliganism at a match between Luton Town and Millwall on 13 March.

THE SECRETARY OF STATE FOR THE ENVIRONMENT said that a considerable number of serious charges had been brought following this event. He welcomed the fact that the Home Secretary would be making a statement shortly, encouraging magistrates to make full use of their powers to deal with offences of this kind. Representatives of the Football Association and the Football League were coming in to see the Parliamentary Under Secretary of State, Department of the Environment (Minister for Sport) that afternoon. An interdepartmental working party had been set up to consider the problems presented by football hooliganism. It had presented a report, which had been issued with a consultation document. A further report would be available in a few weeks, following those consultations. In his view, there was no need for legislation creating new offences; and the Football Association and Football League had considerable powers to take action, if they would only make use of them.

In discussion, it was noted that the problem was confined mainly to a very few clubs. Any action that needed to be taken should so far as possible avoid damage to those clubs whose supporters created no problems. In Scotland the passage of legislation banning the sale of alcoholic drinks had had a material effect on hooliganism. But drink was not the only problem: there was evidence that the hooliganism was often deliberate and premeditated.

THE PRIME MINISTER, summing up the discussion, said that the Cabinet agreed, in the light of recent events, that it was not enough simply to condemn football hooliganism: more effective action needed to be taken to deal with it. When the Parliamentary Under Secretary of State, Department of the Environment (Minister for Sport) saw the representatives of the Football Association and Football League, he should urge them to take effective action, and to make full use of their powers as necessary in order to do so. They should be asked to report within a week what action they proposed to take, and could be told that the Minister for Sport would be reporting direct to the Prime Minister and to the Home Secretary as well as to the Secretary of State for the Environment. If the Football Association and the Football League could not or would not take effective action, the Government might have to consider legislation; but there was no reason to suppose that the

FOOTBALL
HOOLIGANISM

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existing range of offences was not sufficient to deal with the problem, if suitable charges were brought.

The Cabinet -

1. Took note, with approval, of the Prime Minister's summing up.

Invited the Secretary of State for the Environment to arrange for the Parliamentary Under Secretary of State, Department of the Environment (Minister for Sport) to be guided by the Prime Minister's summing up at his meeting with the representatives of the Football Association and the Football League that afternoon.

3. Took note that the Prime Minister would convene a meeting of Ministers directly concerned, to consider the response of the Football Association and the Football League to the proposed requests for a report on the action which they proposed to take.

Cabinet Office

14 March 1985

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